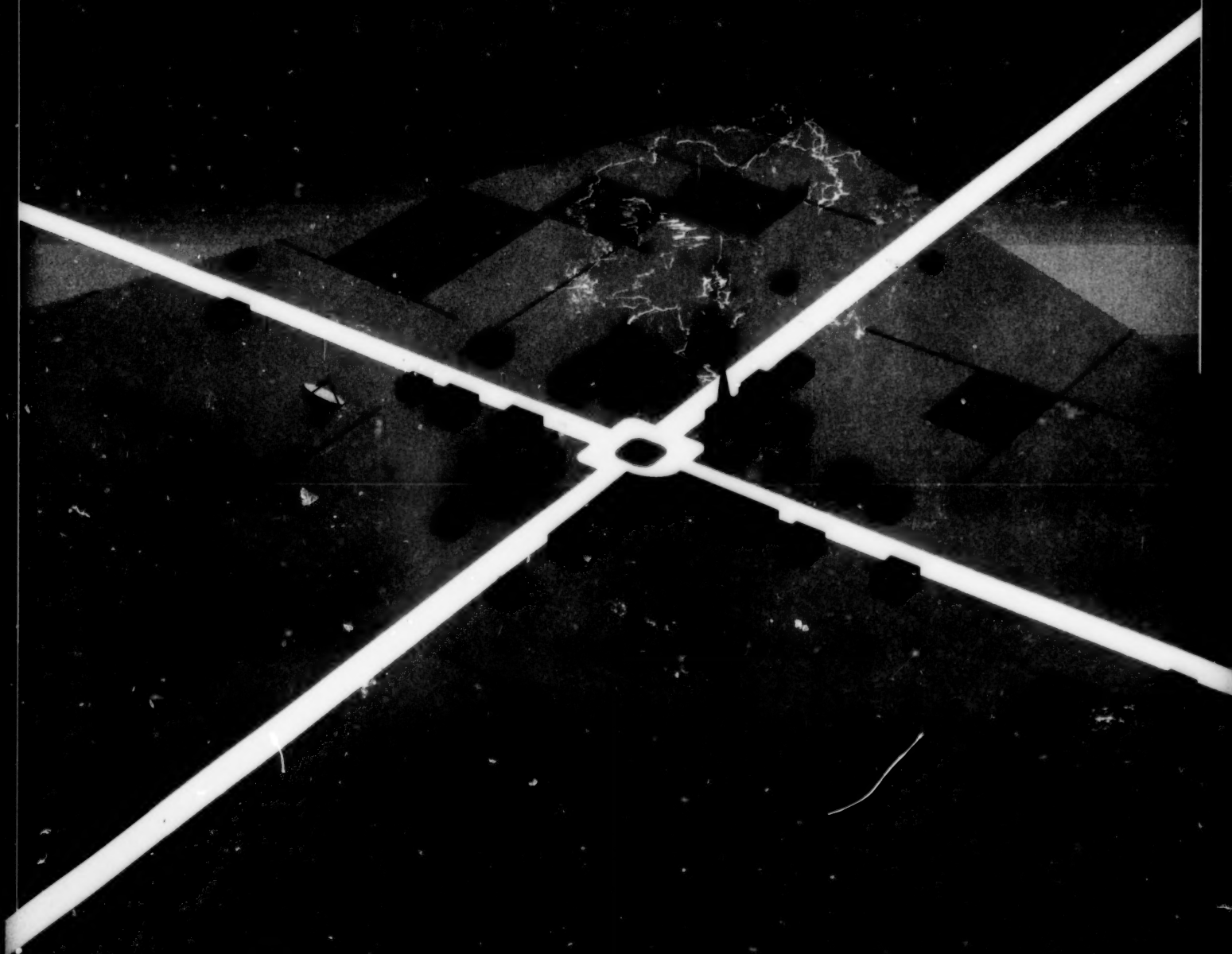


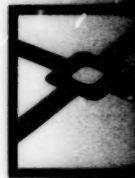
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REVITALIZING RURAL AMERICA COLLABORATION



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The President's Council on Rural America



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PREAMBLE

It is important to recognize how this Council approached its assignment. Our mission was to improve the quality of life in rural America. Our approach was to streamline the process by which the Federal Government delivers its resources.

A key conclusion of this report is that quality of life improves when economic development occurs and economic development occurs only through community development. Community development and the Federal Government's role in fostering it are the main elements of our recommendations and of this report.

As you read, understand that:

...You will not see Federal farm programs addressed; our charge was not to specifically consider this important issue. However, our recommendations for strengthening rural America include agriculture as part of an overall plan.

...You will not see a call for new agencies. We believe that the key participants are already there but that they must work more collaboratively.

...You will not see extensive dialogue given to Federal programs. Our focus was on **process**, not programs.

...**You will, however, see** recommendations included for state governments and local communities. It is our conviction that Federal, state and local government, private enterprise, and local communities must all work collaboratively; that it must be a unified process with necessary disciplines.

...**You will see** that our solutions are not money driven. We believe that existing resources are adequate but in many cases misdirected and too prescriptive.

...**You will see** constant acknowledgment that community development is the key to economic development. And,

...**You will see** a commitment to make certain, through collaborative processes, that the destiny of communities be determined by those who live there.

100-1000
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EXECUTIVE SUMMARY

Rural America is in transition — from an economy based on the land to one diversified by trade and commerce, from an overabundant natural world to one that requires careful nurturing, from a world in which sweat and determination brought success to one where knowledge and creativity are also critically important. The transition has not been an easy one, nor is it complete.

Rural America is increasingly aware of the challenges confronting it. Like the welcoming features of nature that marked the pioneer's way across the prairie, rural America needs landmarks to guide it to a better future.

In this report, the President's Council on Rural America addresses the current situation in rural America and what can be done to bring about change. The Council not only recognizes that the need is great in rural America, but it also generates a vision of opportunity for rural America's future. This vision includes a commitment to helping rural America realize a future that includes empowered individuals and caring communities; skilled visionary leadership; and resourceful collaborative action that encourages rural Americans to take control of their own destiny and create a future that is sustainable through local initiative.

In order to realize this vision, the report proposes that rural community development activity must be guided by two basic principles: the central role of the community and the creation of more responsive government. It is necessary for government to act as an enabler in the development process, to acquire a sensitivity to the diversity of rural needs, and to establish the flexibility to allow each rural community to develop in the manner which its own residents determine is best suited to their community vision for the 21st century.

To implement these principles, the report puts forward recommendations, some of which generally apply to communities and government. These include:

- Government should adopt a flexible approach to locally- conceived rural community development, supporting it with technical assistance, with funding support, and with the involvement of businesses, educational institutions, private foundations, and volunteers.
- Government should carefully review its policies and modify those that inhibit caring locally conceived community development and those that impose unreasonable process burdens on rural businesses and governments.
- All Federal funding programs should respond to careful assessments of need, not competing with free enterprise, but encouraging privatization where possible.
- Rural America must dramatically improve its educational achievement and all Americans should share the responsibility for providing the resources necessary to accomplish this.

To support these general recommendations, the report recommends these specific state and Federal actions:

- Encourage governors to support, at the state level, a full-time Advisor on Rural Community Development, the establishment of inter-agency State Government Working Groups on Rural Community Development, and the creation of private sector Advisory Councils on Rural Community Development.
- To correspond to State efforts, the appointment of a senior White House

Advisor on rural development issues, continued support of the Policy Coordinating Group/Working Group on Rural America, and the establishment of a permanent private sector President's Advisory Council on Rural America.

- To coordinate Federal and state collaboration, create and maintain State Rural Development Councils in all states, as currently being formed through the President's Initiative on Rural America.
- Both the Federal and state governments must redouble their efforts in gathering data, through efforts such as the Rural Information Center, by providing information and technical assistance, and assisting with long-term strategic planning activities.

The key to success is to create a system of effective collaboration among the Federal, state, and intergovernmental entities which builds to include local and tribal government, as well as the private sector. The establishment of a mechanism for this collaboration is

proposed — an advisor for rural development, an interagency coordinating group, and a private sector advisory council at the state and Federal level. Working through State Rural Development Councils, it is the President's Council on Rural America's belief that the most effective response to rural needs, based on locally driven initiative, can be effected in rural America.

The report proposes a process and puts in place a system which are sensitive to the diversity of rural needs and the complexity of the emerging rural economic environment. It reflects a new standard for governance, based upon the ability of individuals to respond most effectively to their own needs, while encouraging strategic planning and measurability. All of these encouraging signs should be nurtured and supported.

In the short run, rural America can benefit. In the long run, the entire nation will prosper.

A VISION FOR RURAL AMERICA



For a nation, determining a direction for the future means having a vision, an ideal and unique image of what life should be like and how it should be sustained. Vision is at the heart of the ability to generate purpose and commitment. It is an acute sense of what is possible.

We are a group of 19 Americans with rural roots who have developed a vision of opportunity for rural America's future. We offer our vision as a tool for rural Americans in crafting their own vision for tomorrow — a future where all Americans can enjoy an outstanding quality of life.

The vision we offer calls for:

- **A sustained commitment to people in rural America.** Above all else, people are the heart and soul of this nation, its economy, and the land. We support efforts that empower rural Americans with new knowledge, attitudes, skills, and aspirations that will give them with the opportunity to reach their greatest potential.
- **Caring communities in rural America.** People can develop strong character and high moral standards, demonstrate responsibility, and care deeply about their neighbors, their values, and their surroundings.
- **People committed to collaboration and cooperative partnerships in rural America.** Among individuals, communities, levels of government, and between the public and private sectors, collaboration is an essential way of doing business that builds upon empowered people and caring communities.
- **All rural Americans having access to quality services.** These include an education which will enable rural children to compete in the global community; lifelong, continuing education for rural adults; a strong health care system that encourages health promotion and disease prevention; affordable and adequate housing.
- **Diversity being honored and celebrated in rural America.** Our differences enrich us. We embrace diversity in heritage, ethnic and religious backgrounds, cultural traditions, geography, and natural surroundings.
- **Our similarities as Americans — and not our differences — being recognized and emphasized in rural America.** As citizens of one nation, all of us — urban and rural, rich and poor, old and young, male and female — must be willing to address the challenges that confront any one of us. Rural America's difficulties are urban

America's difficulties and vice versa; if they are not resolved, the entire nation suffers.

- **A new standard for government flourishing in rural America.** Government returns the process to the people, demonstrating that it, functioning in the proper role, can play a nurturing and sustaining role as an enabler removing obstacles to community achievement.
- **Government agencies and the private sector working together as partners in rural America.** Through collaborative partnerships, an environment will be created for investment and reinvestment in rural America.
- **Rural Americans learning skills that are necessary for future, productive employment in conjunction with a focused effort to create commensurate employment opportunities.**
- **Rural Americans and rural communities possess the capacity to change in response to the changing demands of the global community.**
- **Community development that sustains, rather than strains, the natural environment in rural America.** Economic development and environmental preservation are compatible.

THE NEED FOR ACTION



The time for decisive action is now. Rural America has reached a critical junction in the path to its future. Before it now lie many alternatives. How rural America chooses — and how wisely the Nation reacts to those choices — will shape America for succeeding generations.

A decision to promote the economic and social development of America's rural areas is in the national interest. Doing so inevitably requires turning the attention of the Nation's policy agenda, and some of its resources, in the direction of rural America at a time when many other pressing concerns vie for those resources. What basis is there for taking such actions?

First, rural America must be a contributor to our national effort for enhanced economic competitiveness through the production of marketable goods and services. Rural America is home to the vast majority of the Nation's natural resources. Rural areas belong not only to those who live there, but to us all. Their employment is a critical engine of national growth; their conservation and wise use a matter of national concern.

Finally, rural problems do not long remain rural. People migrate. Problems that begin in rural areas soon become urban problems as the rural jobless are drawn to urban areas. Inevitably, therefore, concerns that appear to be isolated rural issues, are, in fact, obstacles to national progress.

Rural America today faces many pressing challenges. Most important is the challenge of change. Today's rural economy now is fundamentally different from the rural economy

of yesterday. Farming and other natural resource industries no longer dominate rural areas as they once did. These changes do not derive from weakness but from strength. Continual improvements in productivity and rapidly changing technology have cut dramatically into the need for workers in rural industries that once employed all comers.

Alongside traditional rural industries are new industries that in many cases have become the leading source of jobs and income. While this has benefitted many rural workers, the growing manufacturing capacity of newly-industrializing nations has stiffened the competition for rural industries, putting added pressure on already low rural wages and speeding the pace at which machines replace wage-earners.

Rural America has few choices. If it is to maintain its standard of living, it must have a well-educated workforce and competitive new and strengthened existing businesses able to put these skills to good use. Without them, rural incomes will continue to shrink, and rural people will move away.

Rural America is handicapped in meeting this challenge. Economic competition is difficult enough for urban producers. It is doubly difficult in rural America. For despite the fact that rural America is a wonderful place to live and work, it faces special obstacles by the simple fact of being rural.

Oftentimes, being rural means having cities and towns that are very small, and industry and commerce on a smaller scale. It may mean relying on a single commodity or product and lacking the ability to weather

economic ups and downs. There may be a lack of infrastructure and business services needed to sustain economic efficiency. It sometimes means having labor forces that frequently lack the range of job skills that are needed for many tasks. It can mean doing without many services and amenities that big city business owners find attractive. And, there may be a need for a stronger institutional base to plan and carry out effective strategies for development in our rapidly-changing world.

In our market-driven economy, lasting economic prosperity is possible only by producing goods and services that can command competitive profitable prices on world markets. If rural America is to be a place where people can live in harmony, where they can enjoy prosperity, where they can keep their families together, it must be a place of strength, with the ability to respond to changing conditions with competition and creativity. To reach this goal, rural economies must complete the industrial transformation that has already begun, substituting new, high-value economic activity for traditional products that are being underbid by foreign competitors.

The changing challenge to America — its need to focus on its future, rather than merely maintaining the present — demands a different type of policy response than we have made in the past. But as a Nation, America has not faced up to this need. Our policies fit the old times, and not the job that must now be done.

Government's traditional response to problems has been to create programs to meet identified needs. Since the 1930's, we have established programs in many areas, includ-

ing finance, health, housing, planning, transportation, water and wastewater systems, and many more. When things go wrong with these programs, the response has been to adjust or replace them with similar programs. When they have outlived their missions, we have not been willing to bring them to an end.

The President's Initiative on Rural Development's focus has not been to eliminate programs, but to better manage and coordinate Federal rural program delivery. The establishment of the Policy Coordinating Group/Working Group on Rural Development in early 1989 created a working forum for Federal intergovernmental cooperation to resolve inconsistencies and challenges of multiple rural programs. The establishment of State Rural Development Councils, initially in 8 "pilot" states and currently expanding to the balance of states and territories, creates a forum for intergovernmental collaboration at all levels and includes the private sector. The Councils have realized initial success and hold great promise for more effectively responding to the needs of rural America.

In approaching its mission, the Council initially divided itself into subgroups to gather information on existing programs, structures, delivery systems, and potential barriers to rural community development. After initial meetings, it became apparent that firsthand information provided by those involved at the local level in various aspects of rural community development would offer the most current perspective in responding to local needs. The Council held a series of seven regional public hearings throughout the country listening to hundreds of individuals actively involved in a wide array of

development efforts. From state, local and tribal government representatives, to farmers, community leaders, and rural planners, the Council discussed the challenges and opportunities of rural America today.



■ Public Hearing Sites

While the testimony necessarily expressed a great diversity of views, some common issues and concerns stand out. Among the more prominent were these:

"We do not need handouts; the solution will never be found in the bottom of a pork barrel. We do not need to addict rural America to the narcotic of entitlement programs or to the humiliation of a welfare check. What we do need is education. We need...to empower local leaders to create their own vision and to develop their own strategies."

— Bill Amick, South Carolina

- **Local leadership capacity is limited.** Successful rural development depends heavily on local leadership, but many rural communities lack skilled or effective leaders. Helping rural communities find and

develop the leadership they need is an area that merits special attention.

"The needs of rural America are not homogeneous, and national programs should be flexible enough to meet the needs of diverse rural communities"

— Richard Wilson, California

- **Rural America is diverse.** "One size fits all" policies do not work well in rural America. Rural areas are radically different from urban America, both in their problems and the conditions under which they must be solved. Rural areas are also very diverse from one region to another. This diversity demands solutions that are flexible enough to work well everywhere.

"Please send a message back to Washington that rural America needs to be able to access the same opportunities as the urban areas, but we simply can't compete with the same criteria. We must acknowledge the special needs of rural America."

— Marylou Stewart, New York

- **Rural problems have many sides.** Rural development problems do not fit neatly into any single pigeonhole. They have many dimensions—human, financial, physical, economic. Often, these are closely interrelated. Rural development strategies must treat these related dimensions jointly, not separately.

"Problem solving can only be accomplished by focusing on multi-jurisdictional programs which relate to the

totality of problems, rather than individual and fragmented boundaries.”

— Howard Grossman, Pennsylvania

- **Need for multi-community action.** Many rural communities are too small to act effectively on their own behalf. Neighboring communities often share similar problems and have resources that, if pooled, would increase chances for development. Multi-community collaboration is a concept that should be encouraged.

“Agencies must learn how to develop cooperative skills in order for their programs to properly assist rural communities.”

— William French, California

- **Programs work individually, but not together.** Rural communities cite many cases of programs — such as FmHA’s community programs, SBA and EDA assistance — that are exemplary in helping small rural communities. But government programs usually operate independently of each other. Although linking them effectively with other programs would improve the chances for rural development, this seldom occurs.

“Collaboration should be the key word and guiding principle of this decade.”

— Charles Cranford, Arkansas

- **Partnerships are needed among agencies and levels of government.** Many organizations, public and private, have resources to contribute to rural development. Interorganizational jealousies and the lack of institutional means to link their efforts prevent effective cooperation in most cases. The contributions of all organizations must be harnessed if rural development is to be achieved.

“Provide information and expertise to the local communities to allow them to develop their economies in ways they feel are appropriate.”

— Richard Sybert, California

- **Technical help, not money is the major need.** Rural Americans acknowledge the budgetary shortages facing the Nation and are not crying for fiscal solutions to their problems. Often, the greatest need they cite is for information, technical advice, and help in organizing and motivating their leadership.

“I would not advocate more rural development programs, but instead a strengthening of existing federal programs. I would also advocate more flexibility in how these programs apply.”

— David Roberts, Alabama

- **Flexibility is needed in program implementation.** All too often, rural communities design their development efforts to fit the requirements of funding programs, instead of developing programs that directly aim at reaching community goals. This pattern must be reversed. To restore the Nation’s focus on goals rather than means, government programs must be designed and administered flexibly and must be responsive to community-level needs.

“We (parents) have been so intent on giving our children everything we didn’t have growing up that we have failed to give them what we did have (i.e., the values of commitment, responsibility, accountability — that which is needed for strong community leadership.)”

— J.T. McLawhorn, South Carolina

In these hearings, the Council heard that government’s “program mentality,” the old

standard, is part of the problem. By creating so many programs, we have conditioned rural communities to expect the Federal government to pay for solutions to public problems. Too often, the chase for money has taken precedence over the need for intelligent action. Many rural communities find Federal dollars so attractive that they design their strategies to fit available programs, rather than what would help them best promote development. As a result, many communities have lost the desire, and perhaps the ability, to tackle their own problems and create their own solutions.

This is not to deny the individual value of many Federal programs. Many persons testified to the benefits of these programs and to the helpfulness of Federal officials in addressing specific needs. Often, individual Federal officials go to extraordinary lengths to help the American public. Rather than targeting the motives of individuals, testimony pointed to the inadequacy of the current system as a whole to reach the roots of rural America's lagging growth.

As a Nation, we cannot afford to use our resources so carelessly. Nor can we afford to stifle local initiative with the very tools by which we mean to help them.

The hearings also identified our Nation's lack of an "ethic of collaboration." We do not place a high value working closely with each other, and we oftentimes do not know how to work together well. Perhaps it derives from our pioneer spirit, which emphasized independence and individual action. But that pioneer spirit also embodied a value we have neglected: the value of communities working together for the common good. Rural communities need to rekindle the fires that once burned in the hearts of their citizens. We must all work together to get the job done.

What is needed to meet the demands of the 21st Century is a new response to changing needs, and a new standard for government action. That standard must begin with an understanding that the fundamental goal is to empower rural communities to develop themselves. It must foster an "ethic of collaboration" among governments at all levels and with private organizations. It must reject the idea that government policy at any level should be to direct rural communities and people, or to regulate their behavior in ways that might lead toward development. And it must embody the notion that government can play a nurturing and sustaining role by acting "user friendly" and removing obstacles to the achievement of each community's highest potential.



PRINCIPLES FOR ACTION

The challenges that confront rural America today call for markedly different approaches than those we have used in the past. As a Nation, if we are to achieve this vision for rural America, we must act in new ways.

We believe that structural changes alone will not suffice. The new philosophy must be extended to the way in which we design and carry out our programs for rural development and to those with whom we do business and with those who invest in rural America. The Council does not advocate imposing additional taxes on our citizens in order to resolve problems or to capitalize on opportunities in rural America. Rather, flexible approaches and better management of the resources we already have must be employed.

To meet this challenge, we believe that our actions must be guided by these basic principles: the central role of the community and the creation of a more responsive government.

The Central Role of the Community

First, we must recognize the central role of rural communities in defining and creating their own futures. Rural communities have been overlooked in the development equation. Often they have been treated as unwilling or incapable players in the process. All too frequently, their values and aspirations have been ignored as too small or unworthy of consideration as government has assumed leadership roles in the face of a

changing rural landscape. We have been too ready to rob them of responsibility for their own actions by placing it in the hands of others.

As a Nation, we can no longer afford the wastefulness that results from the assumptions of central power. We must, therefore, affirm by our actions the key roles that individual local communities must play in achieving our Nation's vision for rural America. It is a basic tenet of a democratic system that individual citizens, acting through their communities, have both the right, and the responsibility, to define their own visions for the future. These visions must reflect their own aspirations, their own values, and their own willingness to act in their own behalf. Only they have the incentive to reach for greater heights. Only they have the right to say what they are willing to sacrifice in the search for self-betterment, and what they are not.

We wish to make clear the error of assuming that betterment will occur solely, or even principally, through economic development. Rural development demands much more than an increase in the level of local economic activity, just as economic development requires much more than traditional ideas of industrial recruitment and business development have allowed.

Rural development is and must be, fundamentally, development of the whole community, and not merely its business sector. Community development is not an act

but a process, by which the community's level of well-being is increased. That process must be a bottom-up process. It begins with expansion of the community's ability to act effectively in its own behalf and to develop creative and effective partnerships with the private sector. It depends heavily on the ability of local leadership to guide the community to a clearly understood vision and a plan for achieving it. It depends equally on the capacity of local citizens and local institutions to carry the load of creating their own futures, which is why we use the words "rural community development."

Creating a More Responsive Government

Second, while we believe strongly in the power of local people to create their own better futures and the efficacy of individual and community action, we also believe that governments have positive roles to play in promoting rural community development. However, we wish to underscore the fact that government — as it is presently constituted and organized — is so poorly equipped to play these roles effectively, that it may be as much a hindrance to progress as a help.

Government — not only the Federal government, but public institutions at all levels — must learn to act in new ways that respond to the needs of today and tomorrow. These new government behaviors must spring from the basic principle that it is the people — rural Americans — who matter most; their well-being must be the driving spirit behind all actions. Governments must serve as enablers, as supporters, as facilitators of local action, not as impediments or obstacles.

In instituting this new role, governments must take many new actions that — taken together — will redefine them. Heavy-handed government actions discourage individual initiative and frustrate communities from acting effectively. Inefficient use of scarce public resources can no longer be tolerated. Governments must examine closely the programs they administer, reducing or eliminating those that respond to needs we have outgrown and reallocating our resources to others that reflect modern conditions. Governments must reduce the intrusiveness of their actions into the individual lives of citizens or the ability of local institutions to act effectively. Too frequently, rural areas have been disadvantaged through too limited or poorly focused investments in needed infrastructure or human development.

Governments must be prepared to cooperatively direct their investments, in response to locally driven actions, toward those areas — including education — that will prepare rural America to confront the 21st Century head on.

Finally, the means — government programs — that are applied to rural problems too often reflect the desires of policymakers than the needs of rural communities.

Governments — especially the Federal government — must learn that the biggest need in rural communities is not more dollars, but the knowledge and capacity to use more effectively and creatively those resources already available.



GENERAL RECOMMENDATIONS

A Challenge to All Americans

To implement these principles, we make the following recommendations, based upon our belief that a changed governmental approach will facilitate their achievement:

- Government should adopt a flexible approach to rural community development, allowing local communities to craft their own community development plans, rather than trying to adjust those plans to suit the policies and programs of state and Federal governments.
- Businesses, educational institutions, private foundations, and volunteers each need to play active roles in helping communities find and develop the local leadership needed to achieve community visions and meet communities' needs.
- Government should encourage and support multi-community collaboration. By working on a pooled regional basis, rural communities can share solutions and resources.
- Rural America must dramatically improve its educational achievement and all Americans should share the responsibility for providing the resources necessary to accomplish this.
- Government must balance the relationship between human and environmental needs on a sustainable, long-term basis.
- The Federal government should decentralize responsibility for community decision-making from the Federal level to local public institutions at the regional or community level.
- The Federal government should carefully review its policies to modify those that unnecessarily inhibit caring community development and people's responsibilities. Among the rules that require modification are those pertaining to economic impact and benefit-cost analysis and those that impose unreasonable process burdens on agriculture, rural businesses and governments.
- All Federal funding programs should respond to careful assessments of need, and Federal assistance programs should be reviewed to identify and eliminate those that are obsolete.
- Government should not compete with free enterprise. Instead, government should encourage privatization and support it wherever feasible.
- Government should give preference to guaranteed loans versus direct loans.
- Government should recognize that there are many solutions to the community development problems of rural communities. Government programs should give adequate consideration to the full range of these solutions.
- Technical assistance is often a greater need than increased levels of funding for capital projects in rural communities and should receive greater attention.
- There needs to be a flexible, creative, and simplified approach to government funding of locally conceived rural community development efforts.

A Challenge to the Federal Government —

Rural problems cut across many issue areas, and also many departments of government.

No single department or agency has the scope or authority to manage the total rural need. To help establish an overall Federal response that supports local community needs, we propose changes in the way the Federal Government participates in and contributes to rural development.

Responsibility for positive action starts at the top. As the President has done in his Initiative on Rural America, the Nation's chief executive can provide strong, visible leadership — within the government and with the American public — by calling on the maximum effort that each of us, citizens and government officials alike, can bring to the challenge.

RECOMMENDATION: The President should appoint a permanent Senior White House Advisor, with responsibility to advise the President on rural development issues and for providing White House leadership to the federal government's participation in rural development activities.

RECOMMENDATION: The President should continue to show strong support for the White House Policy Coordinating Group/Working Group on Rural Community Development. We also strongly recommend that each Federal department or agency designate a rural affairs officer as a member.

RECOMMENDATION: The President should establish a permanent President's Advisory Council on Rural America comprised of private sector individuals who represent the diversity and uniqueness of rural America.

The White House Advisor should be an *ex officio* member of the Policy Coordinating Group, should Chair a White House Policy Coordinating Group/Working Group on Rural Development, and should represent the

full range of economic and social issues confronting rural America. This person should be responsible for the facilitation of a long-term National strategy for rural development in conjunction with the Policy Coordinating Group/Working Group on Rural Development, for evaluating the contributions of individual programs and departments to rural development, for recommending needed changes in programs and policy — including the elimination of duplication and outdated programs — and for monitoring the Nation's progress in achieving rural economic and social advances.

The Policy Coordinating Group/Working Group on Rural Community Development responsibilities should be to develop, gain approval for, and implement National strategies to achieve rural development, manage interdepartmental rural development issues, and respond to issues and barriers identified by State Rural Development Councils. Ultimate responsibility for achieving the long-term Federal vision for rural America rests with this White House Policy Coordinating Group. Each member's role is to coordinate rural issues and programs internal to the department and to provide a long-term strategic plan for rural community development. These strategic plans would not only be used internally, but would be offered to the Senior White House Advisor as a tool to assist in efforts to identify unnecessary and obsolete programs and include their agency strategies in a coordinated federal strategic plan.

The President's Advisory Council on Rural America will provide continual, expert advice from the private sector citizens who represent all aspects of rural America. This Council should monitor the achievement of goals and objectives and recommend standards of performance for both Government and the

Nation, against which progress will be measured.

A Challenge to Other Units of Government —

State governments must confront management challenges similar to those facing the Federal government. The following recommendations can begin to bring about the changes in our governmental system that are needed to focus responsibility and initiative on rural citizens and communities in rural areas of the U.S., and thereby create a climate of opportunity in which constructive solutions to rural problems are more likely to be found.

While we do not wish to recommend the creation of specific institutions in individual states, we believe states could benefit from establishing a rural policy management process similar to the one we recommend for the Federal government. States, too, need a means for coordinating rural policy and initiatives among departments and agencies.

RECOMMENDATION: We urge each governor to establish a Governor's Advisor on Rural Community Development, to perform a role similar to the Senior White House Advisor on Rural Development.

RECOMMENDATION: We urge each governor to establish a State Government Working Group on Rural Community Development. The Group's responsibilities should be to develop, gain approval for, and implement state strategies to achieve rural development, and to manage interdepartmental rural development issues.

RECOMMENDATION: We urge all states to create a Governors' Advisory Council on Rural Community Development composed of representatives from the private sector, to

work in similar ways to the President's Council on Rural America.

A Challenge to the Intergovernmental System

The Federal government is not the only, nor even the most important, public contributor to rural development. As pointed out, state governments have a major role in promoting development in their rural communities. The Federal government must develop the ability to work creatively and cooperatively with state and local governments if a total National effort is to be successful.

We believe the experiment in establishing pilot State Rural Development Councils offers great potential for introducing a new era in the management of government.

RECOMMENDATION: We urge that continuing support be given to further the creation and maintenance of State Rural Development Councils in all states as a means for promoting cooperation between the Federal and state levels of government, local governments, and the private sector.

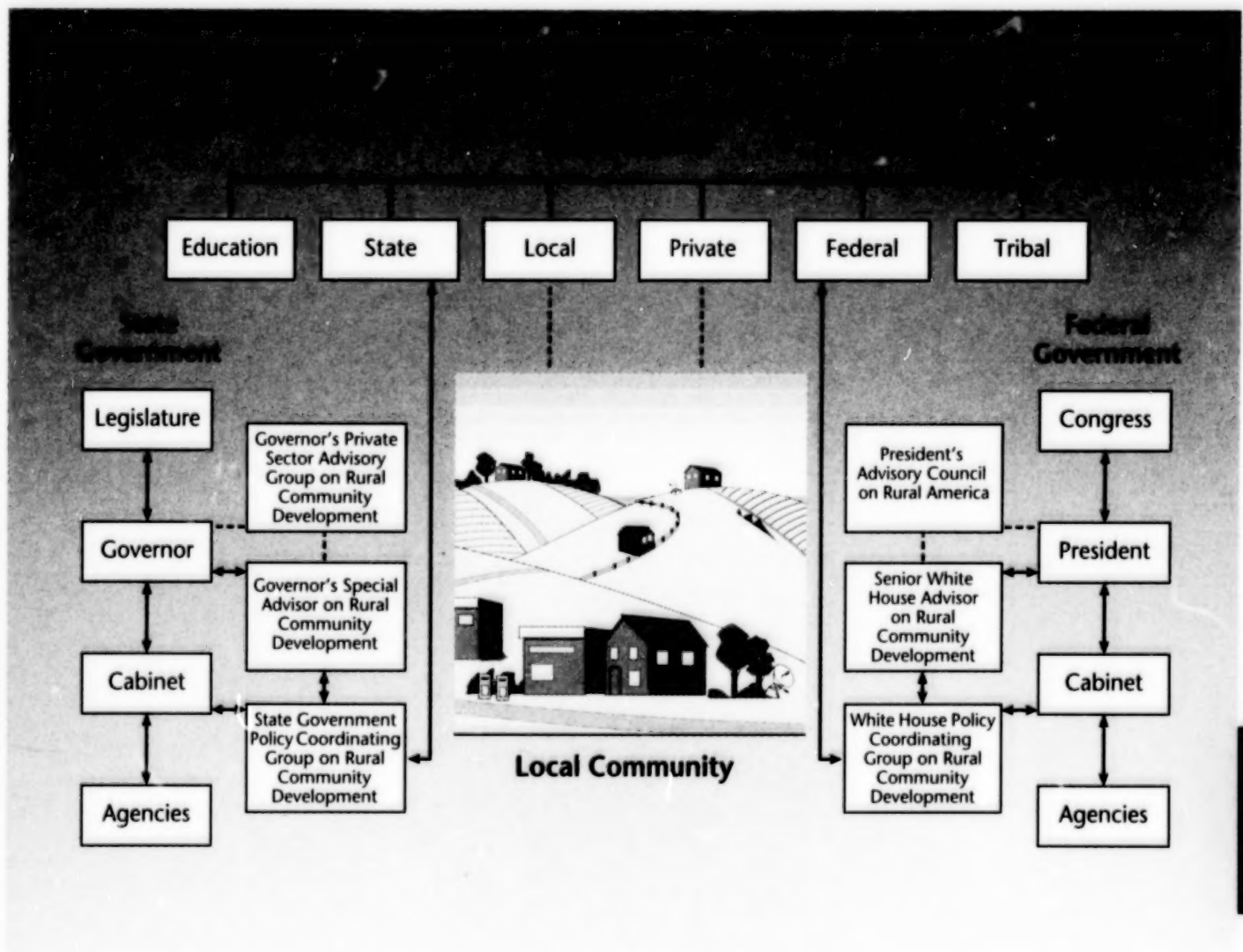
RECOMMENDATION: We believe that both the Federal and state governments must redouble their efforts in gathering data and providing information, technical assistance, and assisting with long-term strategic planning activities.

The State Rural Development Councils have responsibility for building effective partnerships and long-term strategies for achieving economic and social progress within their states. They are needed to remove barriers and to provide a forum in which effective joint action can occur between Federal and state governments, as well as local governments, educational institutions, Indian tribes, and the private sector.

Information and technical assistance are of critical importance in rural America often times more than financial assistance. We support the efforts of the Rural Information Center to provide ready accessible, useable information on rural community development issues.

These three components: Federal, state, and intergovernmental, are designed to create a system of continuity for effective collaboration which builds to include local and tribal

government, and the private sector. By establishing the mechanism for this collaboration — an advisor for rural development, an interagency coordinating group, and a private sector advisory council at the state and Federal level, working through State Rural Development Councils — it is our belief that the most effective response to rural needs, based on locally driven initiative, can be effected in rural America.



MEASURABILITY AND PERFORMANCE:

Focus, accountability, and measuring performance were three issues frequently cited as necessary ingredients for success by the participants in the eight public hearings on rural development held in 1991. We further confirmed this as we met with agency representatives in January of 1992. Members of the President's Council on Rural America also found these critically important elements of good management practices lacking and of urgent concern at the local community and state level of activity.

The most important management tool that can address these critical issues most effectively is a strategic planning process. Each community must have its own plan with commitment to achieve its goals and fully participate in carrying it out. In fact, each participating group and level of government should develop a strategic plan. A strategic plan gives focus, delineates accountability and includes a score card for measuring performance.

The Federal government alone spends billions of dollars annually in projects and administration related to rural community development. Measuring performance is necessary so that state and federal governments can determine the effectiveness of programs. They must keep visions and goals firmly in sight and be prepared to consider necessary changes to assure that revitalization becomes a reality.

We recommend the following as measures for performance including, but not limited to:

- increased local tax base
- higher income levels
- reduced unemployment
- new job creation

- quality of life improvement
- progress in achieving social justice

We must set a new standard of performance for government at all levels. It must focus not on programs — the means by which government acts — but on outcomes — the results we hope to achieve. And it must recognize that success exists only to the extent that we are able to help rural communities help themselves to achieve the economic development and improved quality of life to which they aspire.

CONCLUSION

In her public testimony before the President's Council on Rural America, Jane Schautz of Rensselaerville, New York, observed that the ancient Chinese word for "crisis" is composed of two word pictures, one meaning "danger" and the other "opportunity." Indeed, in its hearings across the country, the Council heard the term "opportunity" applied to the situation in rural America as often, if not more often, than the term "crisis."

Also, the Council learned that rural America has the will, the commitment, and the capacity to build upon its greatness and that in many rural communities across America, this "reconstruction" is already happening:

- Some rural residents and communities are articulating visions for themselves and for their future;
- Towns and counties that once based their economic futures on outside industries are beginning to look inward, at their home-grown resources, for development opportunities.
- A number of state and local governments are taking a more flexible approach toward rural community development.

- Hundreds of rural leaders are exercising more control over their own destinies, empowering themselves and those around them.
- Rural communities are working more and more with the private sector — and with each other — to bring about this change.

However comforting these efforts may be, they must be substantially multiplied throughout rural America. Moreover, the Council was reminded that it is necessary to understand that the stakes are high for all Americans. While each area of the country has distinct problems that need tailored responses, our National concern cannot be limited to a single part of the country. We are one. Thus, a rural America that lags behind the rest of the nation consumes valuable resources for its sustenance, resources that cannot be invested in building a better life for us all. History has shown that rural problems cannot be ignored by America's cities, for the rural unemployed of today become the urban social problems of tomorrow.

The Council wholeheartedly believes that rural Americans, through stronger local leadership, can solve their own problems with the

proper tools. They can meet tomorrow's challenges, but they need to create, and realize, their own vision for rural America. They can empower themselves and their communities, but they need government to help, not hinder, their self-sustaining efforts.

Such an effort will require more responsive government as well as decisiveness and positive action on the part of all levels of government acting together in a collaborative, meaningful manner. It will require not only a focus on community as a process, but also as a key player. Indeed, accountability for community development begins and ends at the local level. If communities, especially rural communities, fail to accept this responsibility, the burden of stagnation and decline will rest with them alone.

Now is the time for action, the time to begin, in rural America and with rural Americans, to view the future as an opportunity, not a destiny.



APPENDICES

APPENDIX I: Council Members

Winthrop P. Rockefeller,
Chairman
Arkansas

Kay A. Orr, Vice-Chair
Nebraska

J. Randolph Ayre
Idaho

Nelda L. Barton
Kentucky

John E. Bourne, Jr.
South Carolina

Norman Brown
Michigan

Hugh M. Field
Iowa

Otis L. Floyd, Jr.
Tennessee

Ralph Hofstad
Minnesota

Merlin Karlock
Illinois

Charles E. Kruse
Missouri

Charles I. Moyer
Kansas

Cathy B. Novinger
South Carolina

Reynaldo U. Ortiz
Colorado

Linwood E. Palmer, Jr.
Maine

Albert H. Quie
Minnesota

Steven K. Sydness
North Dakota

Bill Walker
Mississippi

Don K. Weilmunster
Idaho

APPENDIX II: Council Meetings and Public Hearings

Full Council Meetings:

- January 23–24, 1991 — Washington, D.C.
- May 28–29, 1991 —
Petit Jean Mountain, Arkansas
- July 30–31, 1991 — Kennebunkport, Maine
- September 23–25, 1991 —
Santee, South Carolina
- November 12–13, 1991 — Santa Fe, New Mexico
- January 27–29, 1992 — Williamsburg, Virginia
- May 27–29, 1992 — Denver, Colorado

Sub-Committee Meetings:

ECONOMIC ISSUES

- July 24–25, 1991 — Boise, Idaho
- September 18–19, 1991 — Seattle, Washington

IMPLEMENTATION, STRUCTURE, AND FUNDING

- July 16, 1991 — St. Louis, Missouri
- September 22, 1991 — Santee, South Carolina
- November 11, 1991 — Santa Fe, New Mexico

- December 9–10, 1991 — Washington, D.C.

- January 6, 1992 — Minneapolis, Minnesota

INDIVIDUAL DEVELOPMENT

- June 12, 1991 — Washington, D.C.
- September 25, 1991 — Columbia, South Carolina

INSTITUTIONS AND INFRASTRUCTURE

- July 28, 1991 — Kennebunkport, Maine
- September 9–10, 1991 — Washington, D.C.

Public Hearings:

- October 8, 1991 — Montgomery, Alabama
- October 16, 1991 — Sioux Falls, South Dakota
- October 23, 1991 — Springfield, Illinois
- October 25, 1991 — Huntington, West Virginia
- October 29, 1991 — Sacramento, California
- November 7, 1991 — Binghamton, New York
- November 14, 1992 — Santa Fe, New Mexico

APPENDIX III: Presenters

Albertson, Warren
Pierre, South Dakota

Amert, Pat
Madison, South Dakota

Amick, Bill L.
Batesburg, South Carolina

Anderson, Dave
Sioux City, Iowa

Armstead, Robert A.
Columbia, South Carolina

Ballesteros, Frank
Tucson, Arizona

Barker, Joe
Charleston, West Virginia

Baum, Robert
Washington, D.C.

Benedict, Cleve
Charleston, West Virginia

Benson, James M.
Minneapolis, Minnesota

Bigbee, Povy
Santa Fe, New Mexico

Biggica, Russ
Harrisburg, Pennsylvania

Black, Sena
Columbia, South Carolina

Bloomfield, Shirley
Washington, D.C.

Boehm, Sister Pegge
Sioux Falls, South Dakota

Boles, Anita L.
Montgomery, Alabama

Boozer, Ben
Columbia, South Carolina

Boyce Alec
Sioux Falls, South Dakota

Brown, David
Ithaca, New York

Burris, John

Busby, Chuck

Buxbaum, Stephen
Olympia, Washington

Byron, Maureen
New York

Campbell, Cathy
Ithaca, New York

Cardin, Patricia
Harpersville, New York

Carey, Henry
Santa Fe, New Mexico

Cargill, Sam
Greenville, South Carolina

Carter, Royce
Farmfield, Illinois

Cerletti, J. Michael
Santa Fe, New Mexico

Chandler, J. Malloy
Greenville, Alabama

Chapman, Rick
Quincy, Illinois

Chicoine, David
Urbana, Illinois

Clark, Fred
Montgomery, Alabama

Coleman, John
Washington, D.C.

Conley, Vivian
Lewisburg, West Virginia

Cook, Senator Charles
Delhi, New York

Cranford, Charles O.
Little Rock, Arkansas

Crossland, Brent
Bower, Illinois

Crouch, James
Albany, New York

Cuomo, Governor Mario
Albany, New York

Curry, Pam
Charleston, West Virginia

Curtiss, Win
Santa Fe, New Mexico

Davis, Deborah
Albany, New York

Davis, Ron
Pierre, South Dakota

Delaney, William
Redding, California

Demele, Ron
Weaverville, California

Demers, Jerry
Albany, New York

DiFonso, Louis
Springfield, Illinois

Dole, Dennis

Dolly, Roland
Pierre, South Dakota

Doolittle, James
Belle Fourche, South Dakota

Dwyer, Rob
Quincy Society of Fine Arts

Dykshoorn, Shirley
Bismarck, North Dakota

Edmonds, Patricia
Greenwood, South Carolina

Edwards, Stephen
Columbia, South Carolina

Edwards, Susan
Pierre, South Dakota

Extrum, Richard
Kimball, South Dakota

Fairbanks, Mary
Bainbridge, New York

Farr, Beverly
San Francisco, California

Fisher, Dennis
College Station, Texas

Fitchen, Janet
Ithaca, New York

Fleming, Chet
Teays, West Virginia

Flemming, Doug
Columbia, South Carolina

Forbes, Roy H.
Greensboro, North Carolina

Forestiere, Paul
Pulaski, New York

Fox, Earl
Montgomery, Alabama

Franks, Steve
Montgomery, Alabama

Freeman, Ted B.
Columbia, South Carolina

French, William
Sacramento, California

Fuller, Larry
Los Lunas, New Mexico

Garcia, William E.
Santa Fe, New Mexico

Gardner, Dick
Boise, Idaho

Garrett, W.R.
Abbeville, South Carolina

Genskow, Karen
Charleston, West Virginia

Gerald, Elwood L.
Columbia, South Carolina

Ginger, Suzanne
Farmington, Illinois

Glaess, Mark
Salem, Oregon

Glasgow, Nina
Ithaca, New York

Gober, Jim
Gardendale, Alabama

Gordon, James
Sacramento, California

Graff, Peter
Coos-Curry, Oregon

Gramm, Nola
Illinois Farm Bureau

Granger, William
Swansee, South Carolina

Grant, Alvin
Springfield, Illinois

Grayson, Jan
Chicago, Illinois

Green, Gary
Springfield, Illinois

Griffith, Julie
Auburn, California

Grogan, Sterling
Albuquerque, New Mexico

Gross, Patrick
Sioux Falls, South Dakota

Grossman, Howard
Pittston, Pennsylvania

Gulley, Russell
Fort Payne, Alabama

Gutierrez, Wilfredo
Velarde, New Mexico

Hargrove, Cheryl
Denver, Colorado

Harmon, Hobart
Charleston, West Virginia

Harmon, Sheron R.
Lexington, South Carolina

Hatfield, Joe
Charleston, West Virginia

Hawk, Al
Dansville, New York

Hawks, Richard
Syracuse, New York

Helfrich, Paula
Hilo, Hawaii

Hellickson, Mylo
Pierre, South Dakota

Henderson, Greg
Yankton, South Dakota

Hentley, Mary
Charleston, West Virginia

Herrmann, Carol
Montgomery, Alabama

Hilton, Bill
York, South Carolina

Hines, Don
Montgomery, Alabama

Hite, James
Clemson, South Carolina

Hollatz, Barbara
Auburn, California

Honadle, Beth
St. Paul, Minnesota

Hughes, Mary
Charleston, West Virginia

Hughes, Paul
Spencer, West Virginia

Jackson, Dennis
Mankato, MN

Jackson, James
Quemado, New Mexico

James, Mark
Charleston, West Virginia

Johnson, Julie
Pierre, South Dakota

Johnson, Tommie
Newberry, South Carolina

Jones, Shirley
Albany, New York

Jordan, Chuck
Penryn, California

Jumper, Diane
Gilbert, South Carolina

Kanpschorr, Julie
Charleston, West Virginia

Kantrowitz, Martin
Albuquerque, New Mexico

Kennedy, Bart
Birmingham, Alabama

King, Governor Bruce
Santa Fe, New Mexico

Kirkikis, Ike
Carbondale, Illinois

Klim, Jack
Huntington, West Virginia

Lackner, Roy
Binghamton, New York

Lamm, Carol
Berea, Kentucky

Le Rose, Steve
Summerville, West Virginia

Lennon, Max
Clemson, South Carolina

Lewis, Michael J.
Morgantown, West Virginia

Lieberman, Nancy
Dryden, New York

Lindt, Harvey
Santa Fe, New Mexico

Lowry, Mark
Sacramento, California

Lujan, Willie
Las Cruces, New Mexico

Lundstrum, Patricia
New Mexico

Mackey, Dan
Columbia, South Carolina

Marion, James
Auburn, Alabama

Mason, Midge
Monmouth, Illinois

May, Art
Walthill, Nebraska

Kim, Millicent
Hilo, Hawaii

McAllister, Willeam K.
Normal, Alabama

McClelland, James
Huntington, West Virginia

McCord, Warren
Auburn, Alabama

McCormick, Gene
Washington, D.C.

McKay, Doug
Columbia, South Carolina

McLawhorn, J.T.
Columbia, South Carolina

McMahon, Brian
Sacramento, California

Meyer, Donald
Santa Fe, New Mexico

Meyer, Neil
Boise, Idaho

Mickelson, Governor George
Pierre, South Dakota

Miner, John
Quartzite, Arizona

Mitchell, Tom
Albert, New Mexico

Mitzefeld, Richard
Santa Fe, New Mexico

Montgomery, John
Washington, D.C.

Moore, Martha
Welch, West Virginia

Moore, Thomas H.
Carbondale, Illinois

Mori, John
Morgantown, West Virginia

Morris, Jr., James R.
Columbia, South Carolina

Morris, Robert
Urbana, Illinois

Morrow, Bob
Selma, Alabama

Moser, Jeff
Huron, South Dakota

Moskin, William
Sacramento, California

Mullen, Thomas
Binghamton, New York

Mullins, Bob
Valley, Alabama

Mydland, Gordon
Lake Preston, South Dakota

Nachtigal, Paul
Aurora, Colorado

Nakata, Joanna
Honolulu, Hawaii

Newton, Larry
Fairhope, Alabama

Nicholson, Nick
Greensboro, North Carolina

Niedringhaus, Kim
Sioux Falls, South Dakota

Nieman, Greg D.
Decatur, Illinois

Norton, Sr., Donald R.
Springfield, Illinois

O'Neill, George
Murphysboro, Illinois

Oothoudt, Sylvia
Sioux City, Iowa

Parrott, Morrison
McCormick, South Carolina

Pearson, Thomas
Cooperstown, New York

Phillips, Doug
Columbia, South Carolina

Phillips, G. Till
Dallas, Texas

Pinel, Sandra
Cochiti Lake, New Mexico

Pink, Cheryl
Amarillo, Texas

Preston, Jane
Illinois Arts Council

Price, Randy
Gilbert, South Carolina

Quaglia, Ed
Herrin, Illinois

Rakers, Ray
Springfield, Illinois

Rich, Robert
Ellicottville, New York

Richardson, Larry
Greenwood, South Carolina

Richter, Roger
Sacramento, California

Roberts, David
Montgomery, Alabama

Roberts, Mack
Montgomery, Alabama

Roberts, Sharon K.
Mount Vernon, Illinois

Rogers, Robert
Bluffs, Illinois

Roper, Betty
Manning, South Carolina

Ross, Rick
Portland, Oregon

Rottingen, Paul
Delhi, New York

Rustan, Jerril
North Dakota

Salamon, Sonya
Urbana, Illinois

Sanders, John
Charleston, West Virginia

Sattes, Lyle
Charleston, West Virginia

Schautz, Jane
Rensselaerville, New York

Schoenherr, Ronald L.
Columbia, South Carolina

Schueberger, Al
Albuquerque, New Mexico

Schumacher, Dale
Whitney Point, New York

Shaffer, Steve
Sacramento, California

Shoemaker, Joe
Washington, D.C.

Smith, Don
Seattle, Washington

Smith, Peggy
Cullman, Alabama

Sneve, Shirley
Sioux Falls, South Dakota

Sokolow, Alvin
Davis, California

Stewart, Jack
Carlinville, Illinois

Stewart, Marylou
Norwich, New York

Tafoya, Calvin
Santa Fe, New Mexico

Taylor, David
Macomb, Illinois

Thompson, Bud
Prophetstown, Illinois

Tibbitts, George
Sacramento, California

Tillman, Lee
Clovis, New Mexico

Todd, Ernie
Auburn, Alabama

Tompkins, Rachel B.
Morgantown, West Virginia

Tuomey, Steve
Tannersville, New York

Turner, Carl
Santa Fe, New Mexico

Underwood, Governor Cecil
Huntington, West Virginia

Vallandingham, P.J.
Barboursville, West Virginia

Vanderpohl, Pat
Moriarty, New Mexico

Varela, Maria
Los Ojos, New Mexico

Wadsley, Phyllis
Gilbert, South Carolina

Wagner, Robert
Brookings, South Dakota

Walker, Robert
Huntington, West Virginia

Walter, Jack
Sayne, Pennsylvania

Walzer, Norman
Macomb, Illinois

Warner, Mildred
Ithaca, New York

Warren, John A.
Columbia, South Carolina

Watt, Bill
Washington, D.C.

Weeks, Donnie
Newberry, South Carolina

Weir, Stephen
Charleston, West Virginia

Welsh, Robert J.
Edgefield, South Carolina

Wenger, Michael R.
Washington, D.C.

Western, Kent
Jacksonville, Illinois

White, Orlando
Orangeburg, South Carolina

Williams, Ed
Decatur, Illinois

Williams, Judith
Reno, Nevada

Wood, Benjamin
Binghamton, New York

Zabawa, Robert
Normal, Alabama

END

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